



BRIEFING: APRIL 2013 BOARD MEETING AGENDA ITEM #1

TO: Chairman Richard and Board Members

FROM: Dennis Trujillo, Chief Deputy Director

DATE: April 4, 2013

RE: Approval of Amendment to Parsons Transportation Group Regional Consultant Contract

Background

The Authority's contract with Parsons Transportation Group (PTG), one of the eight Regional Consultant Contractors, is approaching the limits of its current contract for budget and requires Board approval for an amendment. PTG is the prime Regional Consultant for the San Jose to Merced project section and is also advancing work for environmental clearance of the Central Valley Wye alternatives.

Staff recommends amending the contract budget with PTG to complete the environmental work associated with the Central Valley Wye Subsequent EIR/Supplemental EIS. Doing so will enable the Authority to retain the team's expertise and experience as well as maintain continuity and momentum for completing this work. It is important to note that this extension is not based on solely on budget increases, but rather on producing specific deliverables, work product, and project milestones. The contract is task driven and the RC will only perform duties that it is directed to perform by the Authority.

About PTG

Parsons is an engineering, construction, technical, and management services firm. PTG delivers design/design-build, program/construction management, and other professional services to federal, regional and local government agencies, as well as to private industrial customers worldwide. Parsons is a leader in many diversified markets with a focus on transportation, environmental/infrastructure, and defense/security.

Key Facts

- Established: 1944
- Number of Employees: More Than 11,500
- FY2012 Revenues: \$3.0 Billion
- 100% owned by Employee Stock Ownership
- More than 2,000 projects in 50 states and 25 countries
- More than 7,600 college degrees / professional registrations

Discussion

It is the Authority's intent to best serve the public interest by delivering all aspects of the California High-Speed Train Program on schedule, at the lowest possible cost, and with quality that meets or exceeds acceptable industry and government standards.

The contract with PTG is as an Architectural and Engineering (A&E) services contract as defined in Government Code, Section 4525 and, therefore, extending this contract through the amendment process is within the Board's scope and will not require approval by the Department of General Services pursuant to Section 11.00 of the State Contracting Manual (SCM).

This risk-based assessment and recommendation considers the following opportunities and risks: loss of consistency/continuity, stakeholder relationships, competition, potential conflicts of interest, loss of institutional knowledge, and imminent disruption and delay. This qualitative risk-based assessment was performed in consultation with the Authority's Chief Deputy Director, Chief Program Manager, Chief Financial Officer, Regional Directors, Chief Counsel, and Risk Manager.

As the program advances and matures, professional consultant services procurement, structure, and organization will be continuously assessed and enhanced. Due to the dynamic nature of the project, there will likely be future efficiency opportunities. Over the next year, the Authority plans to implement various strategic planning initiatives. The area of professional consulting services procurement will be one area of emphasis with the goal of building on the Authority's long term consulting strategy.

The contract with the PTG team was awarded on December 4, 2008. The procurement process was managed directly by Authority staff consistent with the state's competitive A&E procurement process. Proposals were evaluated by a team of Authority staff and staff from other state departments with contracting experience who evaluated the proposals and made recommendations to the Authority. The contract duration approved by the Board is through June 30, 2014.

In May 2012, the Board adopted the Merced to Fresno Final Project EIR/EIS and the FRA issued a Record of Decision in September 2012. The Central Valley Wye was removed from that project segment with the intention of including it in the San Jose to Merced section. Subsequent delays to the schedule for San Jose to Merced led staff to reconsider strategies for completing the Wye section. In January 2013, staff presented the Board with a strategy to advance work on the Central Valley Wye and to conduct the necessary environmental review as a follow-on to the Merced to Fresno EIR/EIS. The Board directed staff to obtain stakeholder and public feedback on this approach. The new approach will result in a Subsequent EIR and Supplemental EIS (SEIR/SEIS) for the Merced to Fresno Section; it is anticipated that a Draft SEIR/SEIS will be issued in fall 2013 and a Final SEIR/SEIS will be completed in spring 2014.

The proposed amendment to this contract is to address the additional costs required to fully study the Wye alternatives under CEQA and NEPA.

This proposed amendment would cover the following:

- Analysis of the Central Valley Wye alternatives and preparation of the Draft and Final SEIS/SEIR for the Merced to Fresno section.
- Compliance with the Authority's Small and Disadvantaged Business Enterprise Program and the applicable 30 percent participation goal for Small Businesses, inclusive of Disadvantaged Business Enterprises, Disabled Veteran Business Enterprises and Microbusinesses

Recommendation

Staff recommends that the Board approve a contract amendment with PTG for an additional \$9.3 million to be added to the current contract capacity, for a total contract not to exceed \$64.3 million.

PROJECT SECTION	FIRM	CURRENT TERM	AMENDED TERM	CURRENT BUDGET	AMENDED BUDGET
San Jose to Merced	PTG	6/30/2014	No Change	\$55,000,000	\$64,300,000

Attachment

- Resolution # HSRA 13-05